

**CITY OF STANFORD, KENTUCKY
403 EAST MAIN STREET
STANFORD, KY 40484**

Ordinance No. 220.29

**ORDINANCE OF THE CITY OF STANFORD, KENTUCKY RELATING TO ECONOMIC DEVELOPMENT INCENTIVES
AVAILABLE TO NEW OR EXISTING BUSINESSES**

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ECONOMIC DEVELOPMENT INCENTIVES

AN ORDINANCE RELATING TO ECONOMIC DEVELOPMENT INCENTIVES AVAILABLE TO NEW OR EXISTING BUSINESSES WITHIN THE CITY OF STANFORD, KENTUCKY.

WHEREAS, the Mayor and the City Council desire to ensure that the City of Stanford, and Lincoln County, Kentucky continue to be a desirable place to live and do business, and

WHEREAS, the Mayor and City Council find that the creation of jobs within the City of Stanford, Kentucky will benefit its citizens, promote economic development, stimulate commercial activity, and enhance the tax base and economic vitality of the City of Stanford, Kentucky; and

WHEREAS, The Mayor and the City Council find that economic development incentives will induce businesses to locate, expand, renovate, or remodel in the City of Stanford, Kentucky, thereby generating additional local tax revenues and increasing ad valorem tax values for the City of Stanford, Kentucky and Lincoln County;

BE IT ORDAINED by the City Council of the City of Stanford, Kentucky as follows:

Ordinance No. 220.29 is hereby enacted and shall read in full as follows:

Sections:

- I. Definitions
- II. Types of Incentives
- III. Application and Review Procedure
- IV. Written Agreement Required
- V. Reporting Requirements
- VI. Events of Default
- VII. Remedies
- VIII. Severability
- IX. Effective Date

I. Definitions

- A. *"City"* means the City of Stanford, Kentucky.
- B. *"Qualifying business"* means any corporation, limited liability company, partnership, limited partnership, sole proprietorship, business trust, or any other legal entity in the city whose employees are engaged in manufacturing, service, tourism, technology, administrative, technical, retail, or professional occupations and specifically excludes sexually oriented/adult entertainment businesses.
- C. *"Economic development project" or "project"* means a new or expanded business activity that generates taxable wages each year by a qualifying business.

II. Types of Incentives

A. The following job creation based economic development incentives may be offered by the City to a qualifying business undertaking an economic development project:

1. 1-50 new employees: 100% rebate of the payroll tax due for new employees for the first year and 2/3's rebate for the following two (2) years; and 100% rebate of the Net Profit tax due for two (2) years.
2. 51-100 new employees: 100% rebate of the payroll tax due for new employees for the first year and 2/3's rebate for the following four (4) years; and 100% rebate of the Net Profit tax due for four (4) years.
3. 101 or more new employees: 75% rebate of the payroll tax due for new employees for eight (8) years; and 100% rebate of the net profit tax due for eight (8) years.

B. The following economic development incentives may be offered by the City to new or existing businesses:

1. Reduction of water connection fees: 1-25 Full-time employees – 50% fee reduction
26-50 Full-time employees – 75% fee reduction
Over 50 Full-time employees – no connection fee
2. Reduction of sewer connection fee: 1-25 Full-time employees – 50% fee reduction
26-50 Full-time employees – 75% fee reduction
Over 50 Full-time employees – no connection fee
3. Waiver of Building Permit Fees: 1-50 Full-time employees – 50% fee reduction
51+ full-time employees – 75% fee reduction

C. Additional incentives:

1. May be approved by the Mayor and the City Council on a case-by-case basis.
2. Additional incentives regarding water and/or sewer service shall be approved by the City of Stanford Water and Sewer Commission.

III. Application and Review Procedure

A. A qualifying business seeking one or more economic development incentives from the City may submit to the City Clerk the following:

1. description of the project;
 2. name, address, and telephone number of authorized representative;
 3. the number of new jobs to be created;
 4. the wages, salaries, bonuses, and commissions expected to be paid and the amount of City of Stanford employee withholdings expected to be generated by the project;
 5. description of entity's management capabilities;
 6. marketing strategies; and
 7. such other financial and non-financial information about the entity deemed necessary by the City.
- B. Each submission shall be executed under oath by an authorized representative of the qualifying business.
- C. The City Clerk shall transmit each application meeting the requirements set forth above to the Mayor for consideration.
- D. A qualifying business may make a presentation to the Mayor and City Council in further support of its application.
- E. After the Mayor's review of the submission, he/she shall either reject the submission or approve the specific economic development incentive(s) to be provided in writing.

IV. Written Agreement Required

Every qualifying business receiving any economic development incentive from the City shall be required to execute a written economic development incentive agreement with the City. The Mayor shall execute the written economic development incentive agreement on behalf of the City.

V. Reporting Requirements

Every qualifying business shall certify in writing one year after its project is completed and annually each year thereafter during the term of its written economic development incentive agreement with the City that the obligations set forth in its written economic development incentive agreement with the City have been and continue to be satisfied. Failure to provide this written certification by that date is an event of default and invokes the City's right to a full refund, including damages, attorney's fees, and collection costs.

VI. Events of Default

If the qualifying business makes any material misrepresentation on its economic development incentive application or supporting documents, fails to meet the obligations set out in its written economic

development incentive agreement with the City, becomes insolvent, fails to report or to remit employee withholdings from new or existing jobs, files bankruptcy or fails to pay any tax, license fee, penalty or other charge or obligation to the City, then it shall be in default.

VII. Remedies

If the qualifying business becomes in default, then the qualifying business shall refund to the City an amount equal to the total economic development incentives rebated or paid, and the City shall have no further obligation to provide any economic development incentives. The City may use any efforts to collect such sums owed, and the qualifying business agrees to pay any and all interest and expenses, including attorney's fees and costs incurred by the City.

VIII. Severability

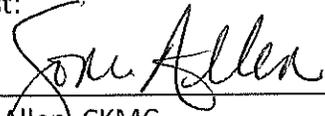
Each section and each provision of each section of this ordinance are severable, and if any provision, section, paragraph, sentence, or part thereof, or the application thereof to any person, licensee, class, or group is held by a court of law to be unconstitutional or invalid for any reason, such holding shall not affect or impair the remainder of this ordinance, it being the legislative intent to ordain and enact each provision, section, paragraph, sentence, and part thereof separately and independently of the rest.

IX. Effective Date

This ordinance shall be effective immediately upon its publication having been read for the first time at a City of Stanford, City Council meeting on February 11, 2021 and for the second time at a City of Stanford, City Council meeting on March 11, 2021.


Dalton Miller, Mayor

Attest:


Jone Allen, CKMC